

# MEMO

**DATE:** August 30, 2007

**TO:** Community, Economic & Human Development Committee

**FROM:** Douglas Kim, SCAG Consultant; [kimd@scag.ca.gov](mailto:kimd@scag.ca.gov), (213) 236-1967

**SUBJECT:** Regional Comprehensive Plan Goals, Outcomes, and Action Plans for Land Use & Housing and Economy

## BACKGROUND:

The pending update to the Regional Comprehensive Plan (RCP) will lay out a vision for how Southern California can achieve sustainability in nine areas of policy, including Transportation, Land Use and Housing, Water, Air Quality, Solid Waste, Energy, Open Space, Economy, and Security and Emergency Preparedness.

Based on the RCP's Vision and Guiding Principles that were reviewed by the CEHD on July 12, 2007, staff has developed draft recommendations for the Land Use & Housing chapter and the Economy chapter for the Committee's review and comment. Initial recommendations from these chapters were last presented to the CEHD in March 2007. The RCP Task Force subsequently approved refinements to these recommendations in July and August 2007. Staff will present the RCP's Education white paper to the CEHD in October.

The Goals represent an idealized vision of a sustainable future for each resource area. The Outcomes are desired outcomes that measure our progress towards sustainability goals and ideally are quantifiable and trackable over time. The Action Plan represents the implementation strategy that identifies recommended roles and responsibilities to meet the recommended Outcomes and achieve the desired Goals.


## Attachments:

1. RCP Land Use and Housing Chapter – Draft Goals, Outcomes, and Action Plan
2. RCP Economy Chapter – Draft Goals, Outcomes, and Action Plan

## FISCAL IMPACT:

Activities related to the Regional Comprehensive Plan are contained in the OWP under the work element 08-035.SCGS1.

Reviewed by:

  
Division Manager

Reviewed by:

  
Department Director

Reviewed by:

  
Chief Financial Officer

## **RCP Economy Chapter**

### **Draft Goals, Outcomes and Action Plan**

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#### **Goals**

- Position the SCAG region and its economy to seize opportunities and address challenges that will enhance the region's mobility, livability, prosperity, and sustainability.
- Ensure a healthy, flourishing economy that provides employment opportunities and prosperity to decrease poverty and meet the basic needs of all the people who participate in our economy by:
  - Enabling business to be profitable and competitive (locally, regionally, nationally, and internationally);
  - Ensuring sufficient employment opportunities and regional prosperity for all segments of the region's workforce;
  - Promoting education and workforce training policies that give residents an opportunity to compete for the full range of jobs available; and
  - Achieving economic development while being consistent with the region's sustainability goals for land use, air quality, and other resource areas.

#### **Outcomes**

- Increase the rate of job growth in order to add three million jobs to the regional economy by 2035.
- Eliminate gaps in educational attainment between different racial and ethnic groups by 2035.
- Increase the real per capita income (household and individual buying power) of all income groups over 2005 levels and eliminate the lowest poverty levels in our region.
- Expand green technologies and employment above and beyond existing requirements and projections by 2035.
- Increased the region's economic vitality and attractiveness by focusing housing and job additions in urban centers, employment centers and

transportation corridors, such that there will be a minimum of 35% of household growth and 32% of employment growth in these areas from their levels in 2005 by 2035.

- Increase the affordability of health care by 50% to reduce losses in productivity resulting from inaccessible health care.
- Increase the diversification of the region's economy by promoting sustained economic health, local economic development and global competitiveness.

## **Action Plan**

### **Constrained Actions**

#### **EC-1. Improving the Economic Competitiveness of Key Industry Clusters**

- EC-1.1** Form a Prosperity Partnership, a coalition of public and private entities, dedicated to developing and implementing a common economic strategy for the SCAG region.
- EC-1.2** Partner with institutions that will help develop global trade logistics infrastructure needed for local businesses to remain competitive.
- EC-1.3** Partner with economic development organizations to assist the region in attracting and retaining both local and foreign investment.
- EC-1.4** Increase awareness - both private and public sectors - of efforts currently underway supporting industry cluster formation in our region.
- EC-1.5** Encourage regional universities and business schools to explore opportunities to maximize benefits to the region from public dollars.
- EC-1.6** Promote regional policies that:
  - Promote economic development and sustained economic health.
  - Reward local ingenuity, initiative, enterprise and creativity.
  - Give local governments the flexibility to attract needed businesses and jobs into their communities.
  - Promote fiscal reform at the state, county and local level (involving sales, property and income taxes) to meet the regions capital investment needs of the region's economy. Tax systems should be diverse enough to protect against over-reliance upon any small number of income streams.
  - Work with industries to diversify their industrial bases.
  - Help local firms replace jobs that cannot be retained.
  - Expand employment in existing high-wage service-sector firms.

- Foster growth of small and medium-sized, locally-based firms.

## **EC-2. Promoting Education and Workforce Training**

- EC-2.1** Support development of workforce strategies that upgrade skills and open up career opportunities for adult workers who need to adapt to change.
- EC-2.2** Inform stakeholders (workforce boards, community colleges and businesses) about the long-term demographic and workforce trends in the SCAG regional forecast.
- EC-2.3** Support K-12 education programs, particularly for at-risk students that help improve high school graduation rates and increase opportunities for all qualified students to attend and graduate from college.
- EC-2.4** Support programs that develop workforce in the green technology sector.
- EC-2.5** Partner with workforce boards and community colleges in identifying specialized training courses that:
  - Meet current and future job needs.
  - Upgrade technological skills and open up career opportunities of adult and young workers.
  - Assist people adapting to change.
- EC-2.6** Support an increase in ESL funding and other opportunities for immigrants to learn English at convenient times and locations.
- EC-2.7** Support programs that connect school district databases region-wide to track and assess student performance to better ensure a match between education and skill requirements and attainment.

## **EC-3. Developing a Sustainable Goods Movement Strategy/ Greener Economy:**

- EC-3.1** Actively engage environmental stakeholders in furthering energy resource diversification by working with California Center for Sustainable Energy, the state's Environmental Agency (Cal-EPA), the California Transportation Commission, and others.
- EC-3.2** Partner with organizations that promote the creation of new advanced environmental friendly technologies for all sectors in the region's economy.
- EC-3.3** Encourage industries to incorporate more energy efficient resources into their products.
- EC-3.4** Develop a suite of technologies or a renewable portfolio of services that allow the SCAG region to plan for a greener economy.
- EC-3.5** Support efforts to increase employment in green technology and/or related industries.
- EC-3.6** Promote the implementation of the Southern California Regional Strategy for Good Movement Action Plan, which is based on three principles:
  - Environmental and community impact mitigation must be integral to the goods movement program.

- Improvements to the goods movement system should not come at the expense of other transportation investments.
- Investments in the regional goods movement system should be made to realize regional benefits that have statewide implications.

**EC-3.7** Support policies such as:

- Emissions trading programs that are market-based and use a cap with progressive reductions of the cap overtime.
- Value Added Tax Programs: Support legislation for CPUC % of rate reductions, which will be given for "green building" in the future. Use of tax policy can both be shifted from one area to another (e.g. from sales to value added) and created for the public good.
- Clean Air Action Plan: aims to reduce port-generated pollution from vessels, trains, trucks and terminal operating equipment by 45% over the next five years.

**EC-3.8** Continue efforts to leverage state infrastructure bond financing to our region to implement the enormous challenges goods movements and transit oriented development infrastructure imposes.

## **EC-4. Improving Quality of Life**

**EC-4.1** Reform the state-local government fiscal relationship to help achieve sound, sustainable development. If government is going to "incentivize" the behavior of its governmental institutions, the incentive needs to be in line with its overall goals and objectives (e.g. making affordable workforce housing available). Local jurisdictions working through their representative advocacy groups (e.g. the League of National Cities) need to work with the state to balance the "fiscalizations" of the land use impacts, moving towards making cities fiscally ambivalent over using land for retail or housing purposes.

**EC-4.2** Explore means of improving housing availability and pricing. Affordable housing shortage is compounding the difficulty for emerging industries to attract and retain demand positions, which are mostly the younger, more recently educated work force. Similarly, it also adds to the difficulties in attracting and retaining employees from other areas.

**EC-4.3** Support policies that streamline the permit process and regulatory requirements imposed upon developers so as to eliminate excessive review time, cost and inefficiency.

## **RCP Land Use & Housing Chapter**

### **Draft Goals, Outcomes and Action Plan**

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#### **Goals**

- **Implement the Compass Blueprint:**
  - Maximize the efficiency of existing and planned transportation network by focusing growth in existing and emerging centers and near major transportation corridors.
  - Use the Compass Blueprint to ensure that future transportation improvements serve these focus areas.
  - Provide the necessary amount and mix of housing for our growing, changing population.
  - Create significant areas of mixed-use development and walkable, “people-scaled” communities.
  - Inject new life into under-used areas by creating vibrant new business districts, redeveloping old buildings and building new businesses and housing on vacant lots.
  - Preserve existing, stable, single-family neighborhoods.
  - Protect important open space, environmentally sensitive areas and agricultural lands from development.
  - Promote green building standards in new development.

#### **Outcomes**

- 100% of City and County General Plans are consistent with Compass Blueprint by 2012.
- Increase the number of new housing units and jobs created within the Compass 2% Strategy Opportunity Areas by 2012 and improve the regional jobs-housing balance.
- Reduce the region’s vehicle miles traveled from carbon-based fueled vehicles to 1990 levels by 2020.
- Add one housing unit for every 3 persons of population growth and one new housing unit for every 1.5 new jobs.

- Reduce the percentage of households paying more than 30% of income for housing by 20% from the year 2000 level.
- Increase the region's homeowner affordability index so that the relationship of median income to median home price mirrors the national average.
- Achieve a regional housing vacancy rate of 1.5% for owner-occupied units and 5% for rental units to maintain a healthy housing market.
- Significantly decrease the rate of land consumption and urbanization between 2007 and 2035.
- Significantly increase the density of urbanized areas between 2007 and 2035.
- All cities in the region adopt green building standards by 2012.

## **Action Plan**

### **Constrained Actions**

#### **LU-1. Provide technical assistance and regional leadership to implement the Compass Blueprint growth scenario and integrate growth and land use planning with the existing and planned transportation network.**

- LU-1.1** SCAG shall provide planning services to local governments through Compass Blueprint Demonstration Projects.
- LU-1.2** SCAG shall continue with a targeted public relations strategy that emphasizes regional leadership, the benefits and implications of Compass Blueprint, and builds a sense of common interests among Southern Californians.
- LU-1.3** SCAG shall expand the role of the Compass Partnership, a forum convening representatives from government, civic leaders and members of the development community. The Compass Partnership will advise the region on how public-private partnerships will help leverage the outcomes outlined in this chapter.

#### **LU-2. Local jurisdictions should identify opportunities that are consistent with state Housing Element law to accommodate the forecast housing need identified through the RHNA process.**

**LU-3 Leverage federal and State and local funds to implement the Compass Blueprint.**

- LU-3.1** Stakeholders should leverage state infrastructure bond financing, including the Department of Housing and Community Development's Transit Oriented Development program and supporting legislation that will target infrastructure bond funds for regions with adopted growth visions such as the Compass Blueprint and for projects consistent with these visions.
- LU-3.2** To provide housing, jurisdictions should leverage existing state programs such as HCD's Workforce Incentive Program and the state density bonus law and create local incentives such as housing trust funds, tax-increment-financing districts in redevelopment areas and around transit villages and partnerships with non-governmental stakeholders.
- LU-3.3** SCAG shall continue to support and provide funding for the statewide Blueprint Planning program.
- LU-3.4** Subregional organizations should leverage the federal transportation planning funds available at the subregional level, to complete projects that integrate land use and transportation planning and implement Compass Blueprint principles.

**LU-4 Local communities should consider shared regional priorities, as outlined in the Compass Blueprint, Regional Transportation Plan, and this Regional Comprehensive Plan, in determining their own development goals and drafting local plans.**

- LU-4.1** Local jurisdictions should take a comprehensive approach to updating their General Plans, keeping General Plans up-to-date and providing progress reports on General Plan updates and implementation, as required by law. Communities are strongly encouraged to submit the General Plan and General Plan elements to SCAG under the Inter-Governmental Review Program.
- LU-4.2** Local governments should adopt, with technical assistance from SCAG, green building standards.
- LU-4.3** Local governments and subregional organizations should develop ordinances and other programs, particularly in the older, more urbanized parts of the region, which will enable and assist in the cleanup and redevelopment of brownfield sites.
- LU-4.4** Local governments and subregional organizations should develop adaptive reuse ordinances and other programs that will enable the conversion of vacant or aging commercial, office, and some industrial properties to housing and mixed use with housing.

**LU-5 SCAG shall develop an objective monitoring system to gather data and measure regional progress toward implementing the Compass Blueprint growth scenario and achieving the outcomes outlined in this chapter.**



LU-5.1 Define a methodology for assessing local General Plans' consistency with Compass Blueprint

LU-5.2 Develop a data set and methodology for determining what portion of regional growth is occurring within 2% Strategy Opportunity Areas.

**LU-6 SCAG shall use its Intergovernmental Review process (IGR) role to provide robust review and comment on large development projects and their consistency with the Compass Blueprint.**

**LU-7 SCAG will further develop land use performance measures to be included in future Regional Transportation Plans.**

## **Strategic Initiatives**

**LU-S1 SCAG and county transportation commissions should initiate a program to secure significant resources for implementing Compass Blueprint. The program would provide infrastructure funding for specific allowable costs of development projects that integrate land use and transportation planning and are consistent with the 2% Strategy.**

**LU-S2 SCAG shall continue efforts, in collaboration with state agencies and local jurisdictions, to significantly reform state Housing Element law and the Regional Housing Needs Assessment process. These reforms should promote the broad goals stated by the Secretary of Business, Transportation and Housing and shared by SCAG:**

- Each municipality has a clear responsibility to provide housing based on the growth in population and jobs generated in the community.
- Jurisdictions should be able to collaborate in meeting housing needs.
- Planning for housing should be pursued over a longer time frame in line with other major growth planning efforts.

**LU-S3 The State, in collaboration with regional organizations and local jurisdictions, should work to re-structure and re-**

**incentivize the municipal finance system that currently challenges virtually all local governments in California and often promotes inefficient land uses. Changes should:**

- Ensure the reliability of revenue streams to local government such that local finances are not the first resort in difficult budget years.
- Re-structure sources of municipal revenue to place less emphasis on retail development and sales tax receipts, and to incentivize housing development and other land use changes consistent with regionally shared goals.

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**SUBJECT:** Regional Comprehensive Plan Goals, Outcomes, and Action Plans for Economy

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**BACKGROUND:**

At the August meeting of the Regional Comprehensive Plan (RCP) Task Force, an Economy Subcommittee was established to further refine the Goals, Outcomes, and Action Plans for the Economy Chapter. The attached documents the recommendations from this subcommittee, which were not available at the time the Community, Economic & Human Development Committee agenda packet was prepared.

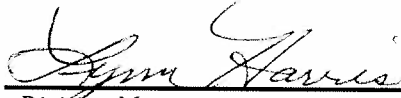
**Attachments:**

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## RCP Economy Chapter

### Draft Goals, Outcomes and Action Plan

#### Goals

- Position the SCAG region and its economy to seize opportunities and address challenges that will enhance the region's mobility, livability, prosperity, and sustainability.
- Enable business to be profitable and competitive (locally, regionally, nationally, and internationally).
- Promote an economy that rewards hard work, perseverance, and ingenuity to allow individuals and families to achieve a better quality of life.
- Ensure a healthy, flourishing economy that provides employment opportunities ~~to decrease poverty and meet the basic needs of all the people who participate in our economy by:~~
  - Promoting education and workforce training policies that give residents an opportunity to compete for the full range of jobs available with good wages and benefits;
  - Encouraging and enabling charities and non-profits to help provide for the poorest in our region;
  - Achieving economic development while being consistent with the region's sustainability goals for land use, air quality, and other resource areas; and
  - Accomplishing this within an ecological and sustainable context that uses resources wisely.

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#### Outcomes

- Increase job growth ~~to add three million jobs to the regional economy by 2035.~~
- Eliminate gaps in educational achievement between different racial and ethnic groups by 2035.
- Increase the real per capita income to restore 1997 levels of household and individual purchasing power.

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- Expand green technologies and employment above and beyond Title 24 requirements by 2035.
- Increased the region's economic vitality and attractiveness by focusing housing and job additions in urban centers, employment centers and transportation corridors, such that there will be a minimum of 35% of household growth and 32% of employment growth in these areas from their levels in 2005 by 2035.
- Increase the affordability of health care by 50% to reduce losses in productivity resulting from inaccessible health care.
- Increase the diversification of the region's economy by promoting sustained economic health, strengthening local self-reliance and expanding global competitiveness.

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## Action Plan

### Constrained Actions

#### EC-1. Improving the Economic Competitiveness of Key Industry Clusters

- EC-1.1** Form an active Prosperity Partnership, a coalition of public and private entities, dedicated to developing and implementing a common economic strategy for the SCAG region.
- EC-1.2** Partner with institutions that will help develop global trade logistics infrastructure needed for local businesses to remain competitive.
- EC-1.3** Partner with economic development organizations to assist the region in attracting and retaining both local and foreign investment.
- EC-1.4** Increase awareness - both private and public sectors - of efforts currently underway supporting industry cluster formation in our region.
- EC-1.5** Encourage regional universities and business schools to explore opportunities to maximize benefits to the region from public dollars.
- EC-1.6** Promote regional policies that:
  - Promote sustainable economic development, within an ecological context, that uses resources wisely and sustainably and builds sustained economic health.
  - Reward local ingenuity, initiative, enterprise and creativity.

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- Give local governments the flexibility to attract needed businesses and jobs into their communities without compromising social or environmental standards.
- Promote fiscal reform at the state, county and local level (involving sales, property and income taxes) to meet the region's capital investment needs of the region's economy. Reform must address increasing local control over school and transportation funds and de-emphasize local dependence on sales tax revenue. Overall, tax systems should be diverse enough to protect against over-reliance upon any small number of income streams.
- Work with industries to diversify their industrial bases.
- Help local firms replace jobs that cannot be retained.
- Expand employment in existing high-wage service-sector firms.
- Foster growth of small and medium-sized, locally-based firms.

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**EC-1.7** Promote the region's livability and quality of life, along with its business climate and working conditions by supporting investments in attracting, retaining, educating and training a diverse, skilled labor force necessary to attract workers and firms.

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## **EC-2. Promoting Education and Workforce Training**

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## **EC-3. Developing a Sustainable Goods Movement Strategy/ Environmentally Friendly, Sustainable Economy:**

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**EC-3.1** Actively engage environmental stakeholders to promote efficiencies, conservation, and renewable energy resources by working with the business sector and government agencies such as the California Center for Sustainable Energy, the state's Environmental Agency (Cal-EPA), the California Transportation Commission, and others.

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**EC-3.2** Partner with organizations that promote the creation of new advanced, environmental friendly, sustainable technologies for all sectors in the region's economy.

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**EC-3.4** Develop a suite of technologies or a renewable portfolio of services that allow the SCAG region to plan for a greener, more sustainable economy.

**EC-3.5** Support efforts to increase employment in green, sustainable technologies and/or related industries.

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**EC-3.6** Promote the implementation of the Southern California Regional Strategy for Good Movement Action Plan, which is based on three principles:

- o International trade can create good job opportunities and raise real income levels for the SCAG region. To benefit from the growth in international trade expected, while remaining globally competitive, significant investment is necessary to improve the efficiency and expand the capacity of the region's good movement infrastructure. Such changes must also occur within a context of environmental quality, environmental justice and respect for local communities.
- o Improvements to the goods movement system should not come at the expense of other transportation investments nor should improvements be only the burden of local, regional or state government.
- o Investments in the regional goods movement system should be made to realize regional benefits that have statewide implications.

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**EC-3.7** Support policies such as:

- o Market-based missions trading programs that use a cap with progressive reductions of the cap over time.
- o Legislation that promotes "green building" through a mixture of regulation and incentives.
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## EC-4. Improving Quality of Life

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housing available). Local jurisdictions working through their representative advocacy groups (e.g. the League of National Cities) need to work with the state to balance the “fiscalizations” of the land use impacts, moving towards making cities fiscally ambivalent over using land for retail or housing purposes.

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